



Georgia-Pacific Corporation

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*Please file
M/015/050*

April 10, 2003

Mr. D. Wayne Hedberg
Utah Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: G-P Gypsum Corporation
Eagle Canyon Quarry
M/015/050

Dear Mr. Hedberg:

This is in response to your March 25, 2003 Notice of Noncompliance (NON) regarding the above referenced plan. In order to expedite the preparation of a revised plan and reclamation surety estimate, I have attached a detailed plan of the site and an estimate of the reclamation cost according to Division of Oil, Gas and Mining procedure. Please have your staff review the attached and comment. Following your office's approval of the reclamation surety amount, a revised Notice of Intention to revise Large Mining Operations (Notice) will be finalized and submitted.

Regarding the requirement for posting of the original 36 acre area, G-P is proposing that this condition of the NON be replaced by G-P's commitment to conduct no mining activity whatsoever at the site until the revised Notice is approved. It would be very difficult to locate the exact boundary of the currently permitted disturbed area footprint. With the shutdown of the Sigurd gypsum plant in August, 2002 all mining activity at the quarry was stopped and all of the equipment was removed. G-P will not conduct any activity until the new Notice is approved.

If you have any questions, or require additional information, I can be reached at 702-643-8100 x305.

Sincerely,

Russell Harms

Enclosure

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DIV. OF OIL, GAS & MINING

Mr. Anthony Gallegos

4/11/03

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**Assumptions Regarding Cost Estimate
G-P Gypsum Corporation
Eagle Canyon Quarry
M/015/050**

The cost estimate followed Division of Oil, Gas and Mining's (DOGM's) general format for reclamation surety estimates (attached spreadsheet). Assumptions based on field measurements taken on 4/9/03 and the anticipated operation of the quarry are as follows:

1. An additional 3.0 acres was projected for expansion of the area where mining of gypsum was being conducted at the time of the Sigurd plant shutdown.
2. All of the reclamation work on this relatively small site can be done with a dozer and trackhoe.
3. In general, the work involved will be backfilling of pit areas from stockpiles of topsoil/overburden with a dozer, sidecast recovery of material from steep border slopes near drainage areas with a trackhoe, ripping the entire area with a dozer, drainage path restoration and seeding.
4. No highwalls will be left behind with the removal of gypsum from the southwest corner of the mine area. This area currently has a highwall that consists entirely of gypsum and any future operation would remove it.
5. Regrading of waste dump slopes was used to estimate the cost of moving stockpiles and backfilling pit areas. The actual stockpile volumes were estimated to arrive at the volume used in the spreadsheet. Some of the material stored around the pit area was not measured so the total volume was increased by a factor of 25% to account for this. It is assumed that no material will have to be brought in from offsite.

G-P Gypsum Corporation
Quarry Reclamation Bonding Calculation
M/041/050 Eagle Canyon Quarry

Total Disturbed Area (acres)

45.4

Activity	Quantity	Units	\$/unit	\$
Safety Signs, Gates etc.	2	units	200	\$ 400.00
Demolition of Buildings	0	CF	0.24	\$ -
Debris & Equipment Removal - trucking	2	trips	50	\$ 100.00
Debris & Equipment Removal - dump fees	0	ton	55	\$ -
Debris & Equipment Removal - loading trucks w/FE loader	0	hours	166	\$ -
Demolition & Debris Removal - general labor	0	hours	15	\$ -
Regrading Facility Areas (1 ft depth)	1	acres	502	\$ 502.00
Regrading Waste Dump Slopes	86250	CY	0.5	\$ 43,125.00
Ripping Waste Dump Tops	0	acre	246	\$ -
Ripping Stockpile and Compacted Areas	45.4	acre	246	\$ 11,168.40
Ripping Pit Floors	4.1	acre	246	\$ 1,008.60
Ripping Pit Access Roads (2 ft depth)	0	acre	613	\$ -
Creating Safety Berms or Barriers around Highwalls	0	LF	0.16	\$ -
Ripping Access Roads - Dozer	0	acre	246	\$ -
Regrading Access Roads - Dozer	0	acre	246	\$ -
Sidecast mtl Replacement on Steep Roads - Trackhoe	2000	LF	1.16	\$ 2,320.00
Surface Drainage Restoration or Construction	1000	LF	1.16	\$ 1,160.00
Topsoil Replacement -dozer	0	CY	0.5	\$ -
Topsoil Replacement -scraper	0	CY	1.19	\$ -
Topsoil Replacement - truck & FE loader	0	CY	2.6	\$ -
Mulching (2 ton/acre alfalfa)	0	acre	350	\$ -
Fertilizing (100 lb/acre diammonium phosphate)	45.4	acre	90	\$ 4,086.00
Composted Manure	0	acre	300	\$ -
Broadcast Seeding (20 lb/acre)	45.4	acre	240	\$ 10,896.00
Drill Seeding (13 lb/acre)	0	acre	205	\$ -
Hydroseeding	0	acre	800	\$ -
General Site Cleanup & Trash Removal	10	acre	50	\$ 500.00
Equipment Mobilization	2	unit	2000	\$ 4,000.00
Reclamation Supervision (10% of estimate)				\$ 7,926.60
			Subtotal	\$ 87,192.60
10% Contingency				\$ 8,719.26
			Subtotal	\$ 95,911.86
Escalation (5 years @ 3.13% per year)				\$111,890.78
Rounded Surety Amount 5 Year (2008)			Total	\$111,891.00
Average Cost per Acre Disturbed				\$ 2,464.56

